

# GRANITE REEF AND McDOWELL REVITALIZATION



*City of Scottsdale*

Council Presentation

May 13, 2002

# Existing Site



# Tonight's Request

- Key Areas of Direction from Council:
  - 1 – Approval of Development Options
  - 2 – Feedback on Development Parameters
- Approve Contingency Transfer of \$69,500 from Capital Improvement Project Funds to Center No. PO101 to fund Phase II of Architectural Service Contract No. 2002-017-COS

# Granite Reef & McDowell Master Planning Team

- EDAW, Inc.
  - National land use planning firm with local offices
- DesignLink Architecture
  - Scottsdale-based architecture firm
- Economics Research Associates (ERA)
  - National development and planning economics consulting firm
- Wood Patel Consulting Engineers, Inc.
  - Local civil engineering firm

# Granite Reef & McDowell Master Planning

- Contract Authorization for \$200,000
  - Master planning
  - Financial feasibility analysis
  - Engineering study
    - All in preparation for a final site plan
- Phase I – \$65,000
- Funding from Smitty's Purchase Account

# Master Planning Timeline

- Phase I – 2/20/02 to 5/12/02
  - **Information Collection and Review**
  - **Analysis/Evaluation Criteria for Compatibility**
  - **Creation of Site Plan Options**
- Phase II – 5/13/02 to 7/1/02
  - **Site Design Layouts Refined**
  - **Financial Modeling & Engineering Study**
- Phase III – 7/02/02 to 9/10/02
  - **Design Development of Selected Master Plan**

# Master Planning Public Meeting Timeline

- Neighborhood Open Houses
  - Hohokam                  June 6                  5:30 - 7:30 pm
  - Eldorado Park          June 8                  9:00 -11:00 am
  - City Council            July 1                  5:00 pm

# Senior Center/Site Work Development Timeline

- RFP Architectural/  
Engineering August 2002
- Contract Approval September 2002
- Design Work Fall/Winter 2002
- City Approval Process Spring/Summer 2003
- Bids for Construction Summer 2003
- Construction Begins Summer/Fall 2003



# Building on Previous Work



# Building on Previous Work

- Outreach to Community Last Year
- Property Focus Options
  - Public Use Center
  - Senior Activity Center
  - Multiuse Center
  - Neighborhood Activity Center
- Dedicated Users:
  - New Senior Center
  - Stagebrush Community Theater

# What We Learned from the Community

- Community Based Development
- Mix of Uses that Serve the Neighborhood
- Improve the General Neighborhood
- Multigenerational Activity Center
- Neighborhood Retail
- Family Style Restaurant
- Building Height/Building Setback Concerns
- Use of Existing Alley
- Concern for Low Income Housing

# What We Learned From Council

- Community Based Development
- Senior Center Located on the Site
- Evaluate Senior Housing Potential
- Evaluate Non-City Users Compatibility
- Financial Return Options on Investment
- Development Strategies
- Point of Pride for Neighborhood & Scottsdale

# What We Learned from Potential User Groups

- Building/Site/Parking Requirements
- Operational requirements
- Ability to share facilities
- Ability to fund improvements
- Compatibility with other user groups
- Benefits to neighborhood
- Benefits to entire community/region

# User Groups

- Senior Center
- Community Theater
- Citizen Service Center/Police Beat Office
- Senior Housing
- Non-Profit Organizations and Institutions
- Private/Charter School
- Multi-Generational Activity Center
- Office
- Retail/Restaurant

# User Group Evaluation

- User Compatibility
  - Neighborhood and Residential
  - User Type (who are their clients)
  - Ability to Share Parking
  - Ability to Share Facilities
  
- Site Compatibility
  - Site Flexibility
  - Shared Open Space
  - Size Requirements (building and land)
  - Building Height

# User Group Evaluation

- Community Benefit

- Neighborhood Benefit
- Age Range Benefit
- Citizen Outreach

- Regional Benefit

- Neighborhood Benefit
- Age Range Benefit
- Citizen Outreach



# User Group Evaluation

- Funding Ability
  - Ability to Purchase Land
  - Ability to Construct Building
- Revenue Potential
  - Ability to Pay Market Rent
  - Ability to Pay Below Market Rent

# Site Evaluation

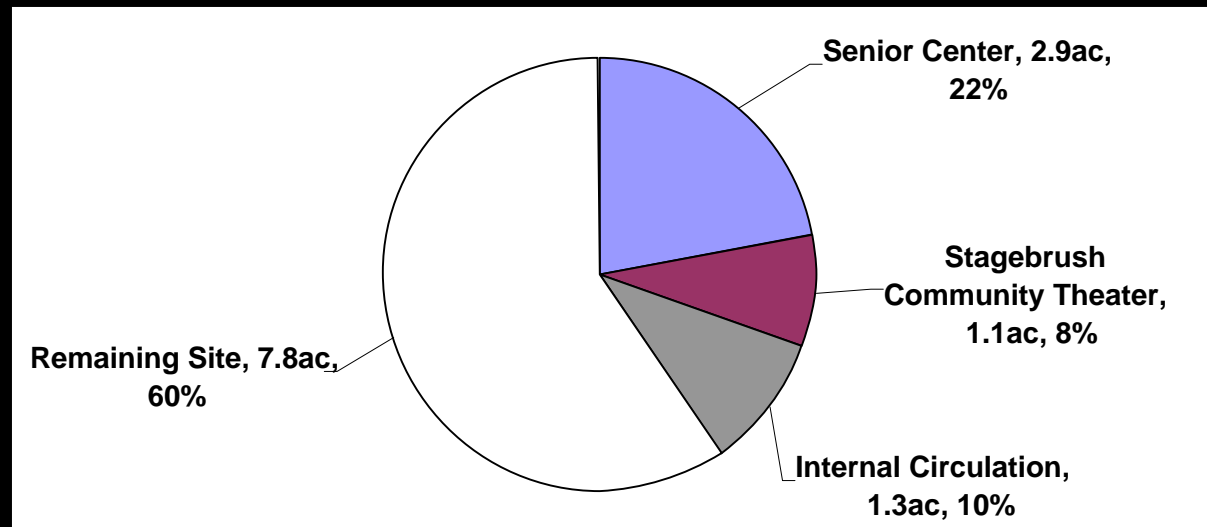


# Site Evaluation

■ Total Site Area 13.1 Acres

Obligated User Groups:

- Senior Center (2.9 Acres)
- Stagebrush Community Theater (1.1 Acres)
- Internal Circulation (roads, utilities) (1.3 Acres)
- Total Site Area Remaining 7.8 Acres



# Site Evaluation

■ Total Site Area Remaining 7.8 Acres

Interested User Groups:

- Senior Housing (4.0+ Acres)
- Citizens Service Center/Police Beat Office (0.1 Acres)
- Multi-Generational Center (1.4 Acres)
- Family Restaurant (1.0 Acres)
- Non-Profit Headquarters (3.0 Acres)
- Private/Charter School (3.0 Acres)
- Small Non-Profit (Offices) (0.5 Acres)
- Large Non-Profit (Offices/Work Space) (1.4 Acres)
- Total Site Shortage (6.6+ Acres)

# Compatible User Groups

- Senior Center
- Stagebrush Theater
- Senior Housing
- Family Restaurant
- Multigenerational Activity Center
- Office/Neighborhood Retail
- Citizen Service Center/Police Beat Office
- Small Non-Profit (500-5,000 sq. ft.)

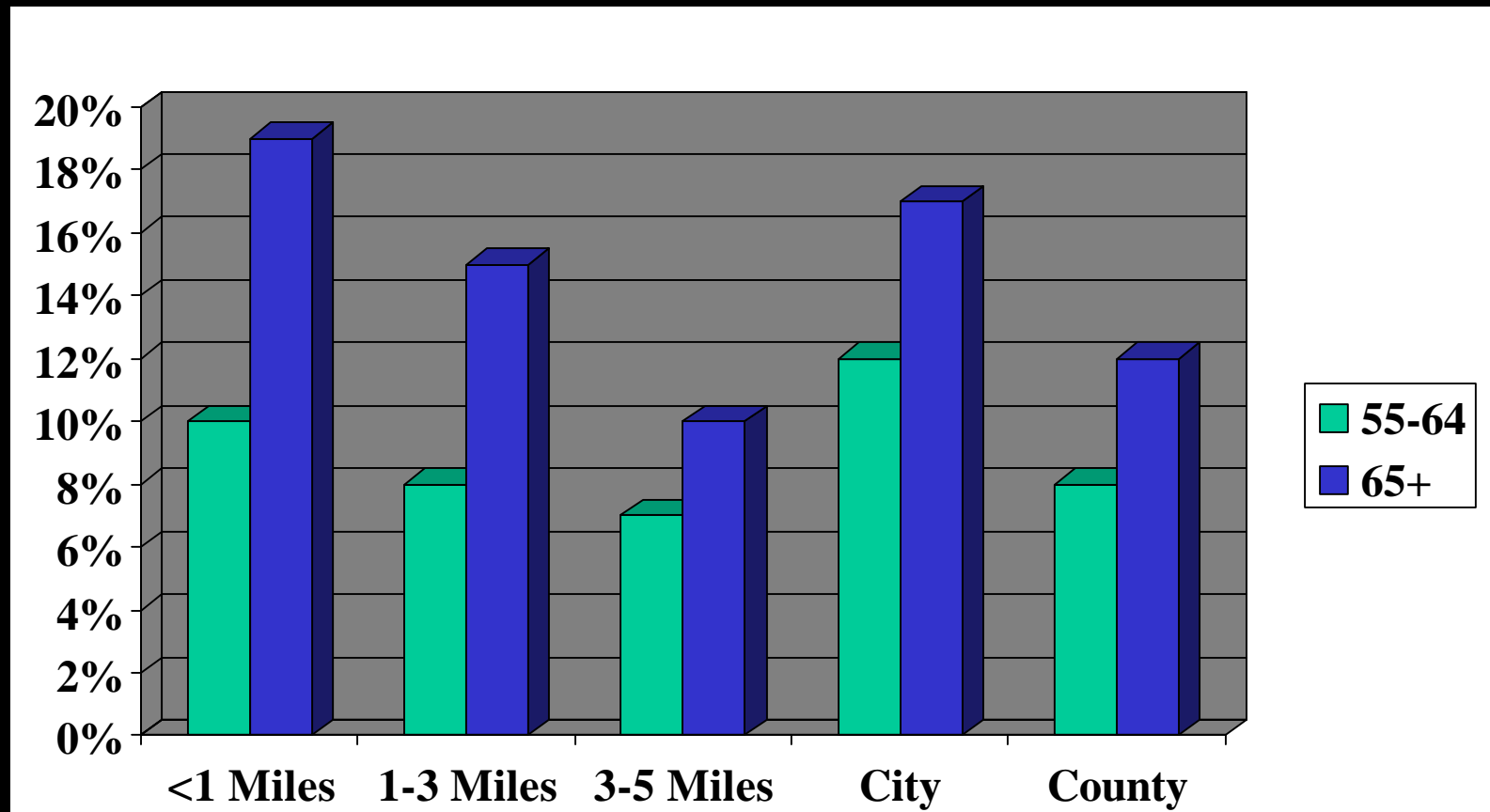
# Market Considerations



# Area Demographics

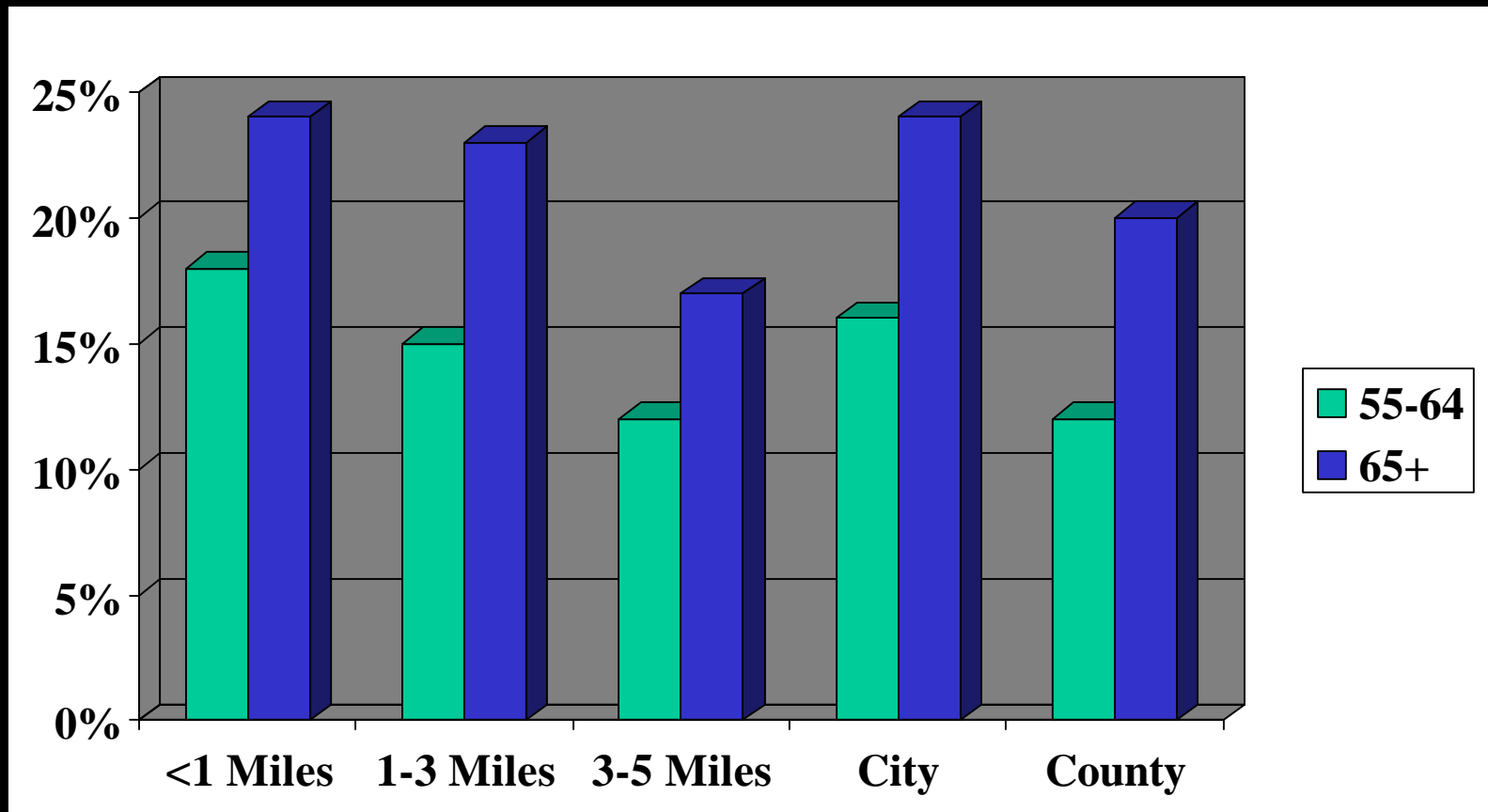
- 11,000 people in 5,200 HH within 1 mile
  - 62,000 people in 28,500 HH within 3 miles
- Average HH size smaller than average
- 52% owners vs 48% renters within 3 miles
  - 67% owners vs 33% renters in County
- Median Age 40 within 1 mile,
  - 35 in 1-3 miles, 42 in Scottsdale, 33 in County
- Average HH Income is \$50,000, Median HH income is \$38,000-\$41,000

# Local Market Has Higher % of Seniors Than County





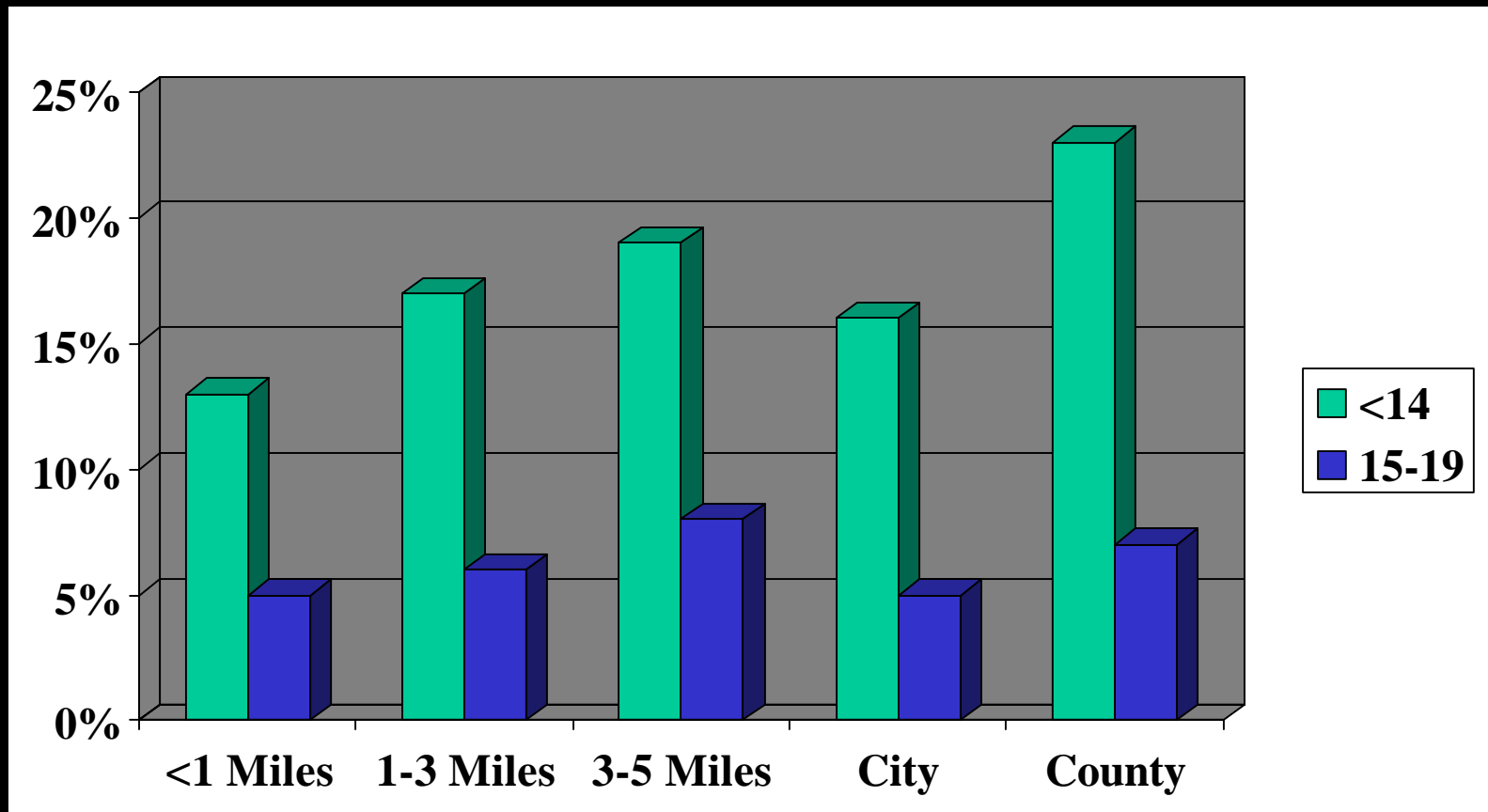
# Local Market Has Higher % of Senior HH Than County



# Senior HH Characteristics Within 3-Miles

- 44% are family households (mostly married couple, no children at home)
- 53 % live alone
- 76% own and 24% rent

# Local Market Has Lower % of Children & Teens Than County



# Market Considerations - Retail

- Traditional neighborhood anchors restricted
- \$12-16+/- strip retail rents; 91% occupancy rate
- Lack of traditional anchors make financing more difficult
- Non-traditional anchors support retail
- Market orientation & image affected by focus of non-retail development
- Major employer, surrounding residential, and McDowell traffic counts plus
- Family restaurant options - local, franchise, chain - location meets market criteria (traffic counts, population, income)
- Future opportunities/competition at Los Arcos could affect leasing

# Market Considerations - Medical Office

- Synergies with senior center and housing
- \$12-14+/- mostly older, class C buildings; occupancy 79%
- Generally small units or buildings; larger buildings near hospitals
- Some non-profit organizations are compatible office tenants

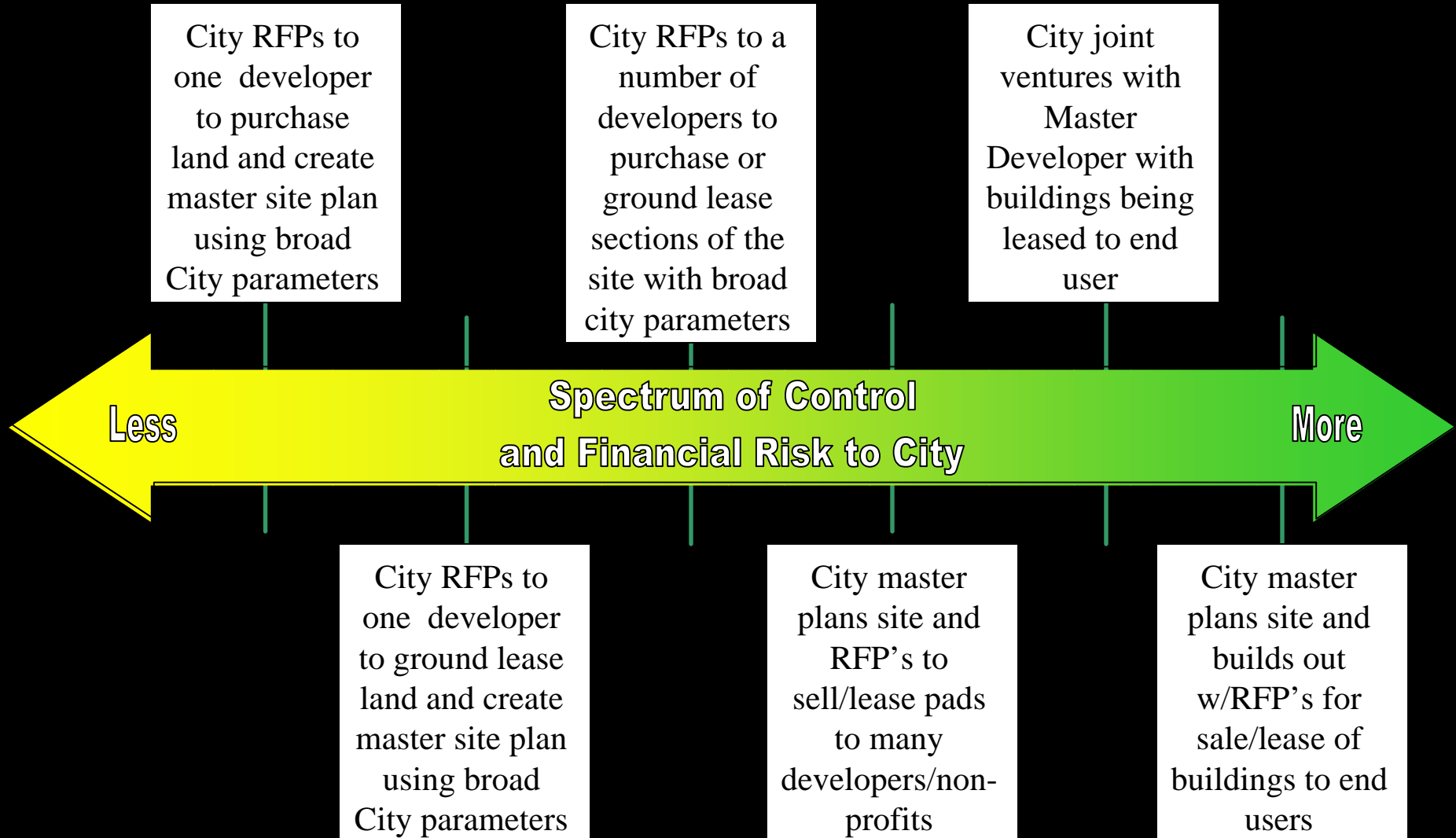
# Market Considerations - Sr. Housing

- Synergies with senior center and medical office
- Local market has higher than average % seniors
- Large majority own homes
- Potential for local move-down market
- Most private operators will look to regional market
- Market is more moderate price-point
- Flexible land use - can be phased with demand

# Disposition Considerations

- Sell, lease, or invest land
- Parcel strategy important
- CC&Rs and reciprocal agreements
- Combining commercial use options to attract developers & facilitate mixed-use
- Issue proscriptive RFP or let responses indicate market
- Criteria for selection
- Next Step - financial testing of scenarios

# City Role Continuum





# Development Options



# Development Option #1

■ Senior Center	2.9 Acres
■ Stagebrush Theater	1.1 Acres
■ Family Restaurant	1.0 Acres
■ Retail / Office	1-2 Acres*
■ Multi-Generational A.C.	1.4 Acres*
■ Senior Housing (75-100 Units)	3-4 Acres*
■ Internal Circulation	<u>1.4 Acres</u>
■ Total	13.1 Acres

# Development Option #2

■ Senior Center	2.9 Acres
■ Stagebrush Theater	1.1 Acres
■ Family Restaurant	1.0 Acres
■ Retail / Office	1.3 Acres*
■ Senior Housing (125-140 Units)	4.0 Acres*
■ Internal Circulation	<u>1.4 Acres</u>
■ Total	13.1 Acres

# Development Option #3

■ Senior Center	2.9 Acres
■ Stagebrush Theater	1.1 Acres
■ Family Restaurant	1.0 Acres
■ Retail / Office	1.3 Acres*
■ Multi-Generational A.C.	1.4 Acres*
■ Schools/Non-Profits	5.4 Acres*
■ Internal Circulation	<u>1.4 Acres</u>
■ Total	13.1 Acres

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